

SUPPLEMENTAL AGREEMENT NO. 1

Contract Number: 559 (Executed on August 15, 2007; Resolution No. R-810-07)

Contract Title: Self-funded Medical Program

Contractor: AvMed Inc. d/b/a AvMed Health Plan(s)
9400 So. Dadeland Blvd, Ste. 409
Miami, FL 33156

In accordance with the above referenced Contract, this supplement when properly executed becomes a part of the Contract, effective August 15, 2007 and shall provide

This Supplemental Agreement incorporates Appendix B, attached herewith, into the Agreement as stated in Article 8 of the Agreement.

Additionally, Article 17, entitled "Audits" is replaced in its entirety with the following:

"ARTICLE 17. AUDITS

The Contractor agrees that the County or its duly authorized representatives or governmental agencies shall, until the expiration of three (3) years after the expiration of this Agreement and any extension thereof, have access to and the right to examine and reproduce any of the Contractor's books, documents, papers and records and of its subcontractors and suppliers which apply to all matters of the County. Such records shall only address those transactions related to this Agreement.



The County may contract with and utilize a third party or consultant to conduct said audit. In doing so, the County shall have a Business Associate Agreement in effect with the third party or consultant, pursuant to the Health Insurance Portability and Accountability Act (HIPAA).

The Contractor agrees to maintain an accounting system that provides accounting records that are supported with adequate documentation, and adequate procedures for determining the allowability and allocability of costs."

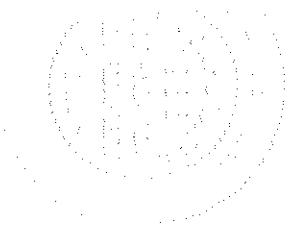
All terms, covenants and conditions of the original Contract and any supplemental agreements issued thereto shall remain in full force and effect, except to the extent herein amended.

IN WITNESS WHEREOF, the parties have executed this Supplemental Agreement No. 1 to County Contract No. 559.

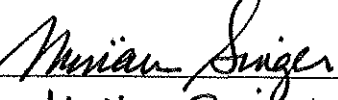

Contractor

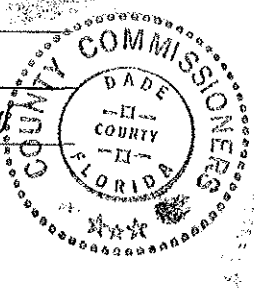
By: 
Name: Frank Jantzen
Title: Vice President Client Service
Date: 9/13/07
Attest: 
Corporate Secretary

Corporate Seal

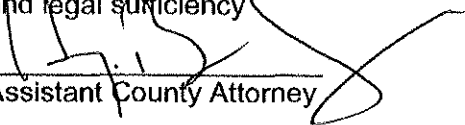


Miami-Dade County

By: 
Name: Miriam Singer
Title: DPM Director
Date: 10/23/07
Attest: 
Clerk of the Board



Approved as to form
and legal sufficiency


Assistant County Attorney

Attachment: Appendix B

APPENDIX B

Price Schedule

Administrative Services Only (ASO) Fees

Medical Administrative Fees (Actives/Non-Medicare Retirees/Medicare Supplement Retirees) Per Employee Per Month (PEPM):

Calendar Year (CY) 2008	\$32.24
CY 2009	\$33.37
CY 2010	\$34.74

Pharmacy Rebate Credit

The pharmacy rebate credit contained in Contractor's ASO fee shall be \$3.56 in CY 2008. This credit shall increase to \$3.67 in CY 2009 and to \$3.78 in CY 2010. Any and all additional Pharmacy rebates received by Contractor over these amounts will be remitted to the County on an annual basis.

Contractor Claims Guarantee

For CY 2008 only, based on mature (12/15) plan year, total claims cost (excluding claimant amounts in excess of \$250,000) for the POS/HMO program on a Per Employee Per Month (PEPM) basis will be calculated by the County and agreed to by Contractor. If that total claims cost exceeds \$788.34 PEPM, the Contractor shall refund 10% of the excess claims cost to a maximum refund of \$3.75 PEPM.